



NSPS Newsletter

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Current Status

NSPS Meet and Confer Process Continues

As part of the statutory process required to implement proposed rule changes, DoD, OPM, and employee representatives are meeting to discuss areas of significant disagreement in the proposed NSPS issuances. Once the meet and confer process is completed, DoD and OPM will report the results to Congress and the final Federal Register Notice will be issued.

Meet and confer began on 18 April 2005 and will last a minimum of 30 days.

Pay

The proposed NSPS regulation is designed to attract, develop, retain and reward high-performing employees

Under the proposed changes, pay increases will be based on performance and contribution to the mission rather than on longevity, which should encourage higher performance and make it easier to recruit and retain the best employees.

The proposal includes a 'pay pool' process to distribute performance-based pay increases throughout organizations. (A pay pool is a group of employees who are combined for the purpose of determining performance payouts.)

The NSPS proposed regulations include a pay banding system that simplifies job classification and provides flexibility to assign work in response to changing mission requirements and new technologies. Pay bands will replace the current structure of grades and steps with broad salary ranges based on level of work (for example, entry level, full performance, supervisory). Movement through a pay band will be based on an employee's performance and contribution as well as the increased responsibility or job complexity of the position.

The NSPS pay system includes a locality-based component of pay that will be based on market conditions related to geographical and occupational factors.

Studies have found that a properly managed performance-based pay system may produce a fairer distribution of pay increases, leading to improved trust between supervisors and employees.

What You Need to Know about NSPS

BRAC will not affect the overall implementation of NSPS

NSPS is critical to the Department's transformation and the Department will not delay its implementation as a result of BRAC. No activity on the BRAC list will automatically be excluded from Spiral One. Components will assess whether inclusion of a BRAC site in Spiral One is appropriate, considering such factors as the anticipated time frame for the closure/realignment and impact on the mission and the workforce.

NSPS proposes to change from *locality pay* to local market supplement

The proposed NSPS system includes a locality-based component called a 'local market supplement' that is paid in addition to an employee's basic pay. The local market supplement will be based on market conditions related to geographical and occupational factors and may differ from one occupation to another in a given locality area. Employees will be entitled to increases to the local market supplement provided they are performing at an acceptable level.

Accountability

The flexibilities proposed in the NSPS regulations bring with them an increased need for *accountability*

Under proposed NSPS regulations, accountability becomes personal. It means knowing what my job is and how it affects the success of my office in meeting its organizational goals. It means understanding the performance standards that have been established. It means communicating with my supervisor and my co-workers to make sure we are all working toward the same outcome. It means taking responsibility for the work I accomplish, the behavior I display, and the effort I make. It is knowing that my performance will be measured by how well I do my job.

For supervisors and managers, accountability means establishing and communicating clear and concise organizational goals; ensuring employees understand performance expectations and receive regular and constructive feedback; and monitoring progress, assessing results, and taking appropriate positive steps to complete the mission successfully. It means understanding that they will be subject to the performance provisions of NSPS, with their performance rating and pay affected by how well the organization meets mission goals.

For military commanders and supervisors, accountability means balancing mission accomplishment, resource management, and work force relationships to effect positive workplace performance. It means focusing the organization on meeting strategic goals and providing support to meet mission objectives. It means understanding they have an important role to play in NSPS and that how well their efforts succeed will be evaluated as part of their promotion assessment.

Coming to Terms

Locality Pay: The Federal Employees Pay Comparability Act of 1990 (FEPCA) established a locality pay system for General Schedule (GS) employees which was implemented in January 1994. It provides for pay adjustments based on survey comparisons with non-Federal rates on a locality basis. Its goal was to narrow the pay gap between Federal and non-Federal salaries over a nine-year period and is payable within each locality determined to have a pay disparity greater than 5 percent.

Locality pay applies to GS employees in the continental United States (CONUS). It does not cover overseas GS employees. Since the amount of locality pay depends on the geographic area where civilian employees work, the amount of locality pay may change if employees change duty locations.

Accountability: Accountability refers to the pyramid of responsibility beginning with the individual and building to top management.

It includes setting appropriate and reachable organizational goals and focusing on the work that must be done to reach those goals; communicating the goals and tasks to others; clarifying expectations and defining roles and responsibilities; establishing meaningful measurements of success; and fostering effective feedback loops.

Accountability requires individuals to dedicate themselves to work toward the organization's

goal, taking responsibility for their behavior, their work, and their outcome.

It is an essential component in a successful career and a necessary element in a productive and efficient work environment.

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